

DEPARTMENT OF STATE REVENUE

02970558.LOF

LETTER OF FINDINGS NUMBER: 97-0558 GIT

**Gross Income Tax
For The Period: 1993-1995**

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning specific issue.

ISSUE(S)

I. Gross Income Tax – Special Corporation

Authority: IC 6-2.1-3-24.5

STATEMENT OF FACTS

Taxpayer is a Delaware corporation qualified to do business in Indiana as of May 17, 1991 and provides privately owned public phones to various businesses. Taxpayer was assessed gross income tax for services performed in the state of Indiana for 1994 and 1995. An IT 20SC was filed for 1993 and IT-20's for 1994 and 1995.

I. Gross Income Tax – Special Corporation

DISCUSSION

At issue is whether the taxpayer qualifies as a Special Corporation in 1994 and 1995. As a response to the assessment upon audit, the taxpayer filed IT-20SC returns for both years and submitted a letter signed by a corporate officer stating that all criteria for Special Corporation status were met. The auditor reviewed and accepted these items as proof that the company qualifies for Special Corporation status and has prepared a supplemental audit to remove the gross income tax.

FINDING

The taxpayer's protest is sustained.